National Black Church Initiative

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The Honorable Alberto R. Gonzales Attorney General of the United States United States Department of Justice Washington, D.C. 20530

The Honorable Thomas
Barnett Assistant Attorney
General Antitrust Division
United States Department of
Justice 950 Pennsylvania
Avenue, N.W. Washington, D.C.
20530

The Honorable Kevin Martin Chairman Federal Communications Commission 445 12"¹ Street, S.W. Washington, D.C. 20554

Dear Attorney General Gonzales, Assistant Attorney General Barnett and Chairman Martin:

Re: Sirius and XM Merger

We are writing to express our opposition to the proposed Sinus and XM merger. As ministers representing every major congressional district across the country, we must report that this merger has caused our membership across the country great consternation and confusion. We are afraid that this merger will create a crack in the wall of free radio and signal a two-tier system in radio unfortunately mirroring the tiers in general society. The Black Church has always fought for equal access and rights under the law for everyone especially minority populations. The merger, we believe, represents a backward step away from upholding this principle and tradition of the Black Church.

The National Black Church Initiative (NBCI), a coalition of 16,000 African-American and Latino member churches works to eradicate racial disparities in healthcare. In addition to our member churches, we have 18,000 sister churches. NBCI is a faith-based health organization dedicated to providing critical wellness information and preventive health screening to all of its members as the African-American community ranks first in 11 different health risk categories. NBCI's purpose is to partner with national health officials to provide health education, reduce racial health disparities and increase access to quality healthcare.

Free radio, communication and the access to new satellite technology without economic barriers are critical in our fight against health disparities and help create opportunities for prevention advocacy. There is no way that we can continue to wage this fight without the protection of the Justice Department and FCC to assure non-profits like us access to the airwaves to reach our population. The limitation created by the proposed merger if allowed by the FCC and the Justice Department will be a great disadvantage to the minority religious community and our mission.

This is why it is critically important that monopolies such as the proposed satellite merger between Sinus and XM should not be allowed. We believe it does not matter if they have a supposedly brilliant plan to assure minority rights or lower prices, the merger will still undermine the principle of an even and competitive playing field. Our experience demonstrates explicitly that the FCC with its current rule structure is unable to protect the single minority broadcaster, and those non-economic entities such as our organization do not have a fighting chance to get our voices heard and fulfill our mission. Monopoly assures a non-competitive environment and gives rise to ignoring those of us advocate for access.

Chairman Kevin Martin indicated that the proposed merger of Sinus and XM Satellite Radio "would need to demonstrate that consumers would clearly be better off with both more choice and affordable prices." We agree based on our experience, in the area of free radio, merger and consolidation of radio properties have an adverse social, political and economic impact on minority communities in terms of access and ownership. This is a strong enough reason in itself not to grant the merger.

There are other compelling reasons to reject his merger, including fear among consumers, including our membership of approximately 34,000 faith-based communities. The first issue is that our congregations, comprised of low-income families and individuals in rural and urban settings, believe that this is the first step toward making us pay for free radio. We vigorously oppose the merger because it limits and discriminates against our congregations based upon income. The recent changes announced by Mr. Mel Karmazin

concerning a 50% reduction in monthly fees to access satellite radio once the merger has been approved is disingenuous at best and morally dishonest at worst.

Mr. Karmazin failed to mention that in order to receive this 50% reduction to access the proposed new stations, one will need to buy a new radio which is not on the market and, therefore, no one knows its price. This will be an additional expense for low-income

families who desire access to this new satellite service. In addition, they will only have access to about 50 of the stations, thus creating and perpetuating a two-tier satellite community. Our society is built upon equal access and equality. The new proposed satellite company will insist on creating a minority community within the satellite sphere.

Another compelling reason to oppose this merger involves the mention by Mr. Karmazin that both of the companies have accumulated \$6 billion in losses since receiving their licenses a decade ago. The companies indicated that one of the chief reasons for the merger is to allow them to become profitable. We believe that it is not the government's role to change the rules for one company to assure its profit margin. We believe the job of the government is to help create an even playing field for all of those who want to engage in a free competitive market place. If the government changes the rule for one company, then it undermines the central issue of fairness. The church represents equal access for all. That is why we must fight to preserve this basic, moral principle.

The Sirius and XM proposed merger, we believe, will stifle competition, create an unhealthy business environment, limit access for the balance of society and thus leave minority communities without proper access and representation. The merger can be expected to do little more than allow the companies to promise innovation and service, and, once the merger is completed, leave us with limited service, limited creativity, higher fees and enormous profits for the new Sinus and XM satellite radio.

On behalf of our membership, we implore you to stand up for them and fairness and iget crucial oices in their communities.

Rev. Anthony Evans
President

Rev. Mark McCleary
Pastor, First Adventist Church
Chair of NBCI Minister Alliance

Rev. Aubreyl C. Lewis, Pastor
St. Luke Baptist Church

White, Pastor

Rev. Alan Horton